

0100870011

LAW OFFICES

JENNER & BLOCK

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

601 THIRTEENTH STREET, N. W.
TWELFTH FLOOR
WASHINGTON, D. C. 20005

(202) 639-6000
(202) 639-6066 FAX

DIRECT DIAL NUMBER:

202/639-6010

November 29, 1995

CHICAGO OFFICE
ONE IBM PLAZA
CHICAGO, IL 60611
(312) 222-9350
(312) 527-0484 FAX

MIAMI OFFICE
ONE BISCAYNE TOWER
MIAMI, FL 33131
(305) 530-3535
(305) 530-0008 FAX

LAKE FOREST OFFICE
ONE WESTMINSTER PLACE
LAKE FOREST, IL 60045
(708) 295-9200
(708) 295-7810 FAX

JOHN H. BROADLEY

BY HAND

Mr. Vernon A. Williams
Secretary
Interstate Commerce Commission
Room 2215
12th & Constitution Avenue NW
Washington, D.C. 20423

Re: Recordation of Agreement of Sale and Equipment Lien

Dear Mr. Williams:

I have enclosed an original and two copies of the primary documents described below to be recorded pursuant to Section 11303 of Title 49 of the United States Code. As an attorney for Maine Central Railroad Company, one of the parties to the transactions described herein, I have knowledge of the matters set forth in this letter.

1. The first document is an Agreement of Sale and attached Sales Order, a primary document, dated October 27, 1995.

The names and addresses of the parties to the Sales Order (Bill of Sale) are:

Seller: NORFOLK AND WESTERN RAILWAY COMPANY
8 North Jefferson Street
Roanoke, Virginia 24042-0072

Buyer: MAINE CENTRAL RAILROAD COMPANY
Iron Horse Park
North Billerica, MA 01862

Copy to Rebecca L. Anderson

19731

19730

Mr. Vernon A. Williams
November 29, 1995
Page 2

A description of the equipment covered by the Agreement of Sale and attached Sales Order is as follows:

Six GP-40 Diesel Electric locomotives bearing Norfolk Southern identification numbers as follows: NS 1336, NS 1344, NS 1346, NS 1347, NS 1349, and NS 1350.

A short summary of the document to appear in the index follows:

An Agreement of Sale and attached Sale Order executed by Norfolk and Western Railway Company on November 17, 1995 conveying all of Seller's right title and interest in the six locomotives identified on Schedule A to the Agreement of Sale to MAINE CENTRAL RAILROAD COMPANY, a Maine corporation.

2. The second document is titled AGREEMENT, is dated November 27, 1995, and is a primary document providing, inter alia, for the grant of security interests in locomotives.

The names and addresses of the parties to the AGREEMENT are as follows:

Securing Parties: MAINE CENTRAL RAILROAD COMPANY
Iron Horse Park
North Billerica, MA 01862

GUILFORD TRANSPORTATION INDUSTRIES, INC.
402 Amherst Street
Suite 300
Nashua, NH 03063
(Guarantor)

SPRINGFIELD TERMINAL RAILWAY COMPANY, and
BOSTON AND MAINE CORPORATION
Iron Horse Park
North Billerica, MA 01862
(Guarantors)

Secured Party: FIRST NH BANK
Portsmouth Office
134 Pleasant Street
Portsmouth, NH 03801

Mr. Vernon A. Williams
November 29, 1995
Page 3

A description of the equipment covered by the AGREEMENT is as follows:

Six GP-40 Diesel Electric locomotives bearing Norfolk Southern identification numbers as follows: NS 1336, NS 1344, NS 1346, NS 1347, NS 1349 and NS 1350..

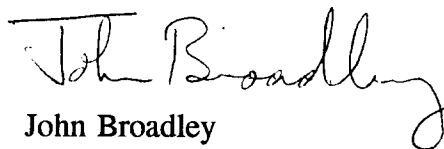
A short summary of the AGREEMENT to appear in the index follows:

Agreement between Maine Central Railroad Company (owner of the locomotives and grantor of the security interest) and Springfield Terminal Railway Company, Boston and Maine Corporation, and Guilford Transportation Industries, Inc. as related parties, and First NH Bank as grantee (secured party) dated November 13, 1995 granting to First NH Bank a security interest in six locomotives identified on Schedule A.

A fee of \$42.00 is enclosed for recording both documents. Please return the original and any extra copies of the documents not needed by the Commission for recordation to:

John R. Nadolny
General Counsel
Maine Central Railroad Company
Iron Horse Park
North Billerica, MA 01862

Yours very truly,


John Broadley

Enclosures



Interstate Commerce Commission
Washington, D.C. 20423-0001

11/29/95

Office Of The Secretary

John H. Broadley
Jenner & Block
601 Thirteenth Street, NW., 12th Floor
Washington, DC., 20005

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 11/29/95 at 3:55PM, and assigned recordation number(s). 19730 and 19731.

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

(0100870011)

\$ 42.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

19731 ✓

19730

CERTIFICATION

NOV 2 1995 PM

I am an attorney for Maine Central Railroad Company, a party to the transactions represented by the following primary documents being recorded today: (1) Agreement of Sale and attached Sales Order dated November 17, 1995, and (2) Agreement dated as of November 27, 1995. I have compared the copies with the original of each and found the copies to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

John Broadley
John Broadley
JENNER & BLOCK

11/29/95
Date

Subscribed and sworn to
before me this 29th day of
November 1995

Linda D. Clonk
Notary Public

My Commission Expires: May 14, 2000

AGREEMENT

This Agreement is entered into by GUILFORD TRANSPORTATION INDUSTRIES, INC. ("GTI"), MAINE CENTRAL RAILROAD COMPANY ("MeC"), BOSTON AND MAINE CORPORATION ("B&M"), SPRINGFIELD TERMINAL RAILWAY COMPANY ("STRR") (collectively "the Companies"), and FIRST NH BANK ("Bank") on November 27, 1995.

1. On or about the date hereof Bank is loaning \$780,000.00 to the Companies ("the Loan") and the Companies are executing and delivering to Bank their Promissory Note dated November 27, 1995, in the original principal amount of \$780,000.00 ("the \$780,000.00 Note").

2. On the date hereof Bank holds the following:

a. Promissory Note of GTI and STRR in the original principal amount of \$339,650.00 dated December 15, 1992 ("the \$339,650.00 Note");

b. Promissory Note of the Companies in the original principal amount of \$5,000,000.00 dated December 31, 1992 ("the \$5,000,000.00 Note");

c. Promissory Note of GTI and STRR in the original principal amount of \$800,000.00 dated June 22, 1993 ("the \$800,000.00 Note");

d. On or about November 10, 1993 Bank, at the request of GTI, PT, and MeC, issued Bank's Standby Letters of Credit numbered S209346, S209347, S209348, and S209349 to the Coleman Company and, on November 13, 1993, Bank entered into Standby Letter of Credit Application and Security Agreements as follows: with GTI and PT in the amount of \$24,059.00 relating to Standby Letter of Credit number S209346; with GTI and MeC in the amount of \$866,725.00 relating to Standby Letter of Credit number S209347; with GTI and PT in the amount of \$37,969.00 relating to Standby Letter of Credit number S209348; and with GTI and MeC in the amount of \$95,961.00 relating to Standby Letter of Credit number S209349. Hereafter, those four Agreements and any renewals or amendments thereof are referred to as "the Letter of Credit Agreements";

e. Promissory Note of the Companies in the original principal amount of \$586,750.00 dated December 3, 1993 ("the \$586,750.00 Note");

f. Promissory Note of GTI in the original principal amount of \$285,000.00 dated March 11, 1994 ("the \$285,000.00 Note");

g. Promissory Note of the Companies in the original principal amount of \$4,500,000.00 dated January 13, 1995 ("the \$4,500,000.00 Note");

h. Promissory Note of the Companies in the original principal amount of \$3,458,160.00 dated March 31, 1995 ("the \$3,458,160.00 Note");

i. Promissory Note of the Companies in the original principal amount of \$673,000.00 dated October 20, 1995 ("the \$673,000.00 Note").

j. Promissory Note of the Companies in the original principal amount of \$5,200,000.00 dated November 14, 1995 ("the \$5,200,000.00 Note").

k. The \$780,000.00 Note.

3. Each of the items referred to in subparagraphs 2.a., 2.b., 2.c., 2.d., 2.e., 2.f., 2.g., 2.h., 2.i., 2.j. and 2.k., above, is "Indebtedness" as that term is used in the following documents: "Loan Agreement" between Bank and the Companies dated December 31, 1992; Commercial Pledge Agreement between the Companies and Bank dated December 31, 1993; the January 13, 1995 Commercial Security Agreement; and the following Commercial Security Agreements: between Bank and GTI and STRR dated December 15, 1992; between Bank and the Companies dated December 31, 1992; between Bank and GTI and STRR dated June 22, 1993; between Bank and the Companies dated December 3, 1993; between Bank and GTI dated March 11, 1994; and Commercial Security Agreement between Bank and the Companies dated January 13, 1995, all as previously amended (hereafter collectively referred to as the "Commercial Security Agreements").

4. The Commercial Security Agreements are hereby amended so as to include the equipment and other collateral described on Exhibit A attached hereto as additional collateral under each of those Commercial Security Agreements. MeC hereby grants Bank a first security interest in the equipment and other collateral described on Exhibit A on the terms stated in the Commercial Security Agreements. This Agreement shall be filed with the Interstate Commerce Commission to perfect Bank's security interest. MeC shall execute such additional documents as Bank may reasonably request to maintain that first security interest.

5. Upon payment in full of the \$339,650.00 Note and provided none of the Companies is in default on any obligation to

Bank, Bank will release all security interests in the Train Dynamics Analyzer/Locomotive Simulator.

6. Upon payment in full of the \$5,000,000.00 Note and termination of the Line of Credit, provided none of the Companies is in default on any obligation to Bank, Bank will terminate its security interest in the Companies' accounts and contract rights.

7. Upon payment in full of the \$800,000.00 Note and provided none of the Companies is in default on any obligation to Bank, Bank will release its security interest in the IBM Model AS-400 computer.

8. Upon payment in full of the \$586,750.00 Note and provided none of the Companies is in default on any obligation to Bank, Bank will release its security interest in the forty-nine (49) general purpose box cars designated as numbers BM79000 through BM79049.

9. Upon payment in full of the \$285,000.00 Note and provided none of the Companies is in default on any obligations to Bank, Bank will release its security interest in the 1993 Diamond Z Industrial Wood Grinder Model PWG 1260 with 650 h.p. Cat Diesel Engine, remote controlled fixed hammers, one set of screens and magnets S/N 1D9FX3923PC231041.

10. Upon payment in full of the \$4,500,000.00 Note and provided none of the Companies is in default on any obligations to Bank, Bank will release its security interest in 197 general purpose boxcars bearing road numbers BM 3200 through BM 3399, excluding BM 3202, BM 3204, and BM 3321.

11. Upon payment in full of the \$3,458,160.00 Note and provided none of the Companies is in default on any obligations to Bank, Bank will release its security interest in the collateral described on Exhibit A attached to the March-31, 1995 Agreement between the Companies and the Bank.

12. Upon payment in full of the \$5,200,000.00 Note and provided none of the Companies is in default on any obligations to Bank, Bank will release its security interest in the collateral described on Exhibit A to the November 14, 1995 Agreement between the Companies and the Bank.

13. Upon payment in full of the \$780,000.00 Note and provided none of the Companies is in default on any obligations to Bank, Bank will release its security interest in the collateral described on Exhibit A attached hereto.

14. The Companies acknowledge that the following finance charges have been disclosed to them in connection with the Loan:

interest at the fixed rate of 7.80% and attorney's fees estimated at \$400.00 to be billed post closing.

15. When used herein "PT" means Portland Terminal Company.

16. Except as expressly modified hereby all other terms and conditions of the documents referred to herein continue in full force and effect.

GUILFORD TRANSPORTATION INDUSTRIES,
INC.

By: Michael A. Holmes
Michael A. Holmes, V.P./Finance

MAINE CENTRAL RAILROAD COMPANY

By: Michael A. Holmes
Michael A. Holmes, V.P./Finance

BOSTON AND MAINE CORPORATION

By: Michael A. Holmes
Michael A. Holmes, V.P./Finance

SPRINGFIELD TERMINAL RAILWAY
COMPANY

By: Michael A. Holmes
Michael A. Holmes, V.P./Finance

FIRST NH BANK

By: David D. McGraw
David D. McGraw, V.P.

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF MIDDLESEX

On this the 28th day of November, 1995, before me, personally appeared Michael A. Holmes, who acknowledged himself to be the Vice-President of Guilford Transportation Industries, Inc., and that he, as such Vice-President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Vice-President.

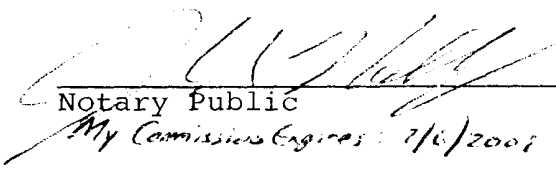
In witness whereof I hereunto set my hand and official seal.

[Signature]
Notary Public
My Commission Expires 7/6/2001

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF MIDDLESEX

On this the 28TH day of November, 1995, before me, personally appeared Michael A. Holmes, who acknowledged himself to be the Vice-President of Maine Central Railroad Company, and that he, as such Vice-President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Vice-President.

In witness whereof I hereunto set my hand and official seal.



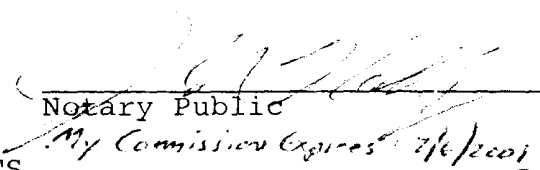
Notary Public

My Commission Expires: 7/6/2001

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF MIDDLESEX

On this the 28TH day of November, 1995, before me, personally appeared Michael A. Holmes, who acknowledged himself to be the Vice-President of Boston and Maine Corporation, and that he, as such Vice-President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Vice-President.

In witness whereof I hereunto set my hand and official seal.



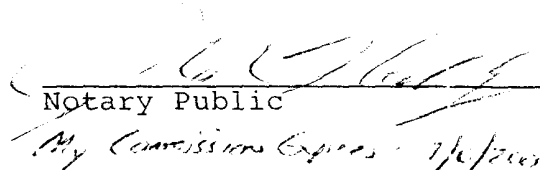
Notary Public

My Commission Expires: 7/6/2001

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF MIDDLESEX

On this the 28TH day of November, 1995, before me, personally appeared Michael A. Holmes, who acknowledged himself to be the Vice-President of Springfield Terminal Railway Company, and that he, as such Vice-President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Vice-President.

In witness whereof I hereunto set my hand and official seal.



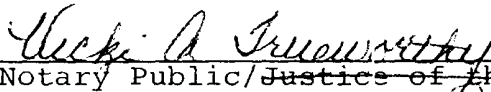
Notary Public

My Commission Expires: 7/6/2001

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

On this the 27 day of November, 1995, before me, personally appeared David D. McGraw, who acknowledged himself to be the Vice-President of First NH Bank, and that he, as such Vice-President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Vice-President.

In witness whereof I hereunto set my hand and official seal.


~~Notary Public/Justice of the Peace~~
VICKI A. TRUEWORTHY, Notary Public
My Commission Expires December 18, 1996

G07/FL24

EXHIBIT A

Six (6) GP-40 diesel-electric locomotives, numbered:

NS 1336	NS 1347
NS 1344	NS 1349
NS 1346	NS 1350

acquired by MeC from Norfolk and Western Railway Company.

G07/FL24